



OFFICE OF
**INSPECTOR
GENERAL**
UNITED STATES POSTAL SERVICE

HIGHLIGHTS

September 26, 2011

Follow-Up on City Delivery Standard Operating Procedures

Report Number DR-AR-11-007

IMPACT ON:

City Delivery Operations.

WHY THE OIG DID THE AUDIT:

Our audit objectives were to follow-up on city delivery issues found in previous reviews and provide a progress report during fiscal year (FY) 2011. We evaluated 1) adherence to City Delivery Morning Standard Operating Procedures (AMSOP), 2) delivery units' certification, 3) Integrated Operating Plans (IOPs) status, and 4) procedures for workhour to workload management. The U.S. Postal Service implemented SOPs in 2005 to improve the efficiency of city delivery operations.

WHAT THE OIG FOUND:

The AMSOP process, designed to ensure that units operate efficiently, did not fully achieve intended results. Specifically, 1,256 inefficient delivery units of the 1,376 reviewed, either did not achieve certification, or achieved certification, but did not maintain performance levels afterwards. These conditions occurred due to weaknesses in the certification criteria and not adhering to procedures. As a result, the Postal Service incurred unnecessary workhours at a cost of approximately \$40.2 million for FY 2009 and \$47.9 million for FY 2010. Additionally, IOPs did not always meet delivery units' needs and procedures to match workhours to workload were not consistently followed. We also identified

over \$88,000 in assets at risk in three delivery units. Management immediately corrected these security issues.

WHAT THE OIG RECOMMENDED:

We recommended the vice president, Delivery and Post Office Operations, re-evaluate the certification criteria to ensure units perform efficiently; re-establish the schedule to certify units; complete planned unit certifications; and establish a process to de-certify units that do not maintain performance.

WHAT MANAGEMENT SAID:

Management agreed with the finding, monetary impact, and, in principle, with the recommendations. They agreed to re-evaluate the AMSOP process, schedule certification based on the available staff, and monitor performance to certify units every 2 years by December 31, 2012.

AUDITORS' COMMENTS:

The U.S. Postal Service Office of Inspector General considers management's comments responsive to the recommendations and corrective actions should resolve the issues.

[*Link to review the entire report*](#)